

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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In re Request of

**Sprint Spectrum L.P. d/b/a
Sprint PCS**

CC Docket No. 96-98

For Clarification Concerning Reciprocal Compensation for Commercial Mobile Radio Service Providers

CC Docket No. 95-185

WT Docket No. 97-207

To: The Common Carrier Bureau
The Wireless Telecommunications Bureau

**COMMENTS OF
THE RURAL TELECOMMUNICATIONS GROUP**

The Rural Telecommunications Group ("RTG"), by its attorneys, hereby respectfully submits these comments in response to the Federal Communications Commission's ("FCC" or "Commission") *Public Notice*, DA-00-1050 released May 11, 2000, regarding the request (the "Request") of Sprint Spectrum L.P. d/b/a Sprint PCS ("Sprint PCS") for a Commission ruling confirming and clarifying that commercial mobile radio service ("CMRS") providers are entitled to recover through reciprocal compensation the traffic-sensitive costs of transport and termination of telecommunications traffic on the wireless network. These comments also address the impact that asymmetrical reciprocal compensation arrangements between wireline and CMRS providers will have on competition in the telecommunications services market.

I. Statement of Interest

RTG is an organized group of rural telephone companies whose purpose is to advocate on behalf of providers and prospective providers of rural wireless telecommunications services.

RTG's members offer cellular telephone service, Personal Communications Service ("PCS"), and other CMRS services to their subscribers. As carriers who transport and terminate telecommunications traffic from other carriers on their wireless networks, RTG members are interested in ensuring that CMRS providers are fully and appropriately compensated for such transport and termination. RTG appreciates the opportunity to comment on the Sprint PCS Request.

II. Discussion

RTG supports Sprint PCS in its Request for confirmation and clarification from the Commission that CMRS providers, like wireline providers, are entitled to recover through reciprocal compensation the costs of all traffic-sensitive network elements, *i.e.*, shared resources, on the wireless network that are used to transport and terminate telecommunications traffic. RTG concurs with Sprint PCS that the traffic-sensitive costs of transporting and terminating traffic on the wireless network may be asymmetrical with the traffic-sensitive costs of transporting and terminating traffic on the wireline network. Finally RTG maintains that the recovery of all such costs, whether symmetrical or asymmetrical, promotes competition in the telecommunications services market.

The Telecommunications Act of 1996 ("1996 Act") and the *Local Competition First Report* ("*First Report*")¹ clearly entitle all carriers to charge asymmetrical transport and termination rates, when supported by forward-looking economic cost studies, and to charge for the additional costs incurred in transporting and terminating traffic, *i.e.*, the cost of traffic-

¹ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Local Competition Order*, 11 FCC Rcd. 15499 (1996).

sensitive network elements used on the wireless network to transport and terminate traffic.

CMRS networks differ from wireline networks. To treat transport and termination cost recovery for CMRS providers as if such transport and termination were based on the structure of a wireline network ignores a fundamental distinction in how certain wireless network elements are used and is contrary to the 1996 Act and the *First Report*. Moreover, limiting such cost recovery to the network elements used to transport and terminate traffic on a wireline network structure does not encourage investment in or development of wireless networks.

As discussed above, the 1996 Act and *First Report* are clear that carriers are entitled to charge asymmetrical transport and termination rates and the additional costs incurred in transporting and terminating traffic. Nonetheless, Sprint PCS has asserted that state commissions have had difficulty in applying requirements of the 1996 Act and Commission rules to CMRS networks, thus emphasizing the need for the Commission to confirm and clarify that CMRS providers are entitled to recover their traffic-sensitive costs of transporting and terminating traffic on their wireless networks.

Commission confirmation and clarification that CMRS providers, like wireline providers, are entitled to recover all traffic-sensitive network elements on the wireless network that are used to transport and terminate traffic, even when such recovery results in asymmetrical compensation arrangements between carriers, will foster competition. Importantly, such confirmation and clarification will provide CMRS providers with the certainty that all appropriate costs of transporting and terminating traffic can be recovered, a certainty that is needed for CMRS providers to enter the market and become competitive.

RTG would support establishment of a Commission proceeding to analyze and identify the portions of the wireless network used in transporting and terminating traffic that are traffic-sensitive and that thus represent additional costs for which CMRS providers are entitled to seek compensation. RTG would also support the use of such a proceeding to formulate a costing model for such additional costs.

III. CONCLUSION

RTG supports the Sprint PCS Request and encourages the Commission to confirm and clarify that CMRS providers are entitled to seek compensation for the costs of all traffic-sensitive elements of the wireless network used for transporting and terminating telecommunications traffic. RTG also encourages the Commission to open a proceeding to identify the network elements that represent additional costs of transporting and terminating traffic and thus are subject to cost recovery as well as to formulate a costing model for such additional costs.

Respectfully submitted,

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